

**NATCHITOCHES PARISH GOVERNMENT
ANNUAL FINANCIAL REPORT**

DECEMBER 31, 2013

NATCHITOCHES PARISH GOVERNMENT
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2013

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Natchitoches Parish Government

Natchitoches, Louisiana

Management's Discussion and Analysis (MD&A)

Our discussion and analysis of the Natchitoches Parish Government's financial performance provides an overview of the Parish Government's financial activities for the year ended December 31, 2013.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Financial Highlights

- The Parish Government's assets exceeded its liabilities by \$21,889,658 (net position) for the fiscal year reported. This compares to the previous year when assets exceeded liabilities by \$18,514,828.
- Total net position is comprised of the following:
 1. Net investment in capital assets, of \$10,706,052 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 2. Unrestricted net position of \$11,183,606 represent the portion available to maintain the Parish Government's continuing obligations to citizens and creditors.
- The Parish Government's governmental funds report a total fund balance of \$11,325,795 this year. This compares to the prior year ending fund balance of \$8,495,152 showing an increase of \$2,830,643 during the current year.

Using This Annual Report

The Parish Government's annual report consists of a series of financial statements that show information for the Parish Government as a whole, and its funds. The Statement of Net Position and the Statement of Activities provide information about the activities of the Parish Government as a whole and present a longer-term view of the Parish Government's finances. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. The fund financial statements, the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance, report the Parish Government's operations in more detail than the government-wide statements by providing information about the Parish Government's most financially significant funds.

Reporting the Parish Government as a Whole

The Statement of Net Position and The Statement of Activities

One of the most important questions asked about the Parish Government's finances is "Is the Parish Government as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Parish Government as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Parish Government's net position – the difference between assets and liabilities, as reported in the Statement of Net Position – as one way to measure the Parish Government's financial position. Over time, increases or decreases in the Parish Government's net position – as reported in the Statement of Activities – is one indicator of whether its financial health is improving or deteriorating. You must consider other non-financial factors, such as the condition of roads and bridges to assess the overall health of the Parish Government.

The Statement of Net Position and Statement of Activities report the following activity for the Parish Government:

Governmental Activities – All of the Parish Government's services are reported here, including public works and health and welfare services. Property taxes, sales taxes, and state and federal grants finance most of these activities.

Reporting the Parish Government's Most Significant Funds

Fund Financial Statements

The Parish Government's fund financial statements provide detailed information about the most significant funds – not the Parish Government as a whole. Some funds are required to be established by State law and by bond covenants. However, the Parish Government establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies (like grants the Parish Government receives for Head Start). The Parish Government's governmental funds use the following accounting approach:

Governmental Funds – All of the Parish Government's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted into cash. The governmental fund statements provide a detailed short-term view of the Parish Government's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Parish Government's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation after the fund financial statements.

The Parish Government as a Whole

Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Parish Government's governmental activities:

Table 1
Net Position
December 31, 2013

	Governmental Activities	
	<u>2013</u>	<u>2012</u>
Assets:		
Cash & Other Assets	\$13,273,290	\$10,813,617
Noncurrent Assets	<u>10,706,052</u>	<u>10,172,995</u>
Total Assets	<u>\$23,979,342</u>	<u>\$20,986,612</u>
Liabilities:		
Current and Other Liabilities	\$ 1,947,495	\$ 2,318,470
Long-term Liabilities	<u>142,189</u>	<u>153,314</u>
Total Liabilities	<u>\$ 2,089,684</u>	<u>\$ 2,471,784</u>
Net Position:		
Net Investment in Capital Assets	\$10,706,052	\$10,172,995
Unrestricted	<u>11,183,606</u>	<u>8,341,833</u>
Total Net Position	<u>\$21,889,658</u>	<u>\$18,514,828</u>

Table 2
Changes in Net Position
Year Ended December 31, 2013

	<u>Primary Government</u>	
	<u>2013</u>	<u>2012</u>
Program Revenues:		
Charges for Services	\$ 165,734	\$ 192,951
Operating Grants & Contributions	7,263,530	5,593,664
Capital Grants & Contributions	1,209,234	2,044,447
General Revenues:		
Ad Valorem Taxes	6,099,757	6,554,010
Sales Taxes	2,242,971	2,169,151
Licenses & Permits	416,868	391,966
Interest	9,491	18,172
Miscellaneous	<u>120,933</u>	<u>154,106</u>
Total Revenues	<u>\$17,528,518</u>	<u>\$17,118,467</u>
Functional/Program Expenses:		
Governmental Activities-		
General Government	\$ 1,498,566	\$ 1,644,155
Public Safety	1,903,709	1,599,920
Public Works	4,637,270	5,710,489
Health & Welfare	4,159,270	4,338,545
Recreation & Culture	1,787,106	1,544,740
Economic Development	<u>167,767</u>	<u>38,054</u>
Total Expenses	<u>\$14,153,688</u>	<u>\$14,875,903</u>
Change in Net Position	<u>\$ 3,374,830</u>	<u>\$ 2,242,564</u>

Economic Factors and Next Year's Budgets and Rates

The Parish Government is experiencing financial difficulties in the general fund. The Parish Government is continually amending the budget in an attempt to address this situation. In 2013, the general fund is expected to have little or no change. There will be other problems facing the Parish of Natchitoches; controlling expenditures, inmate cost, bridges and roads.

Contacting the Parish Government

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Parish Government's finances and to show the Parish Government's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Debra Miley, Treasurer at 318-352-2714.

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation

Roger M. Cunningham, CPA – A Professional Corporation

Jessica H. Broadway, CPA – A Professional Corporation

Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447

INDEPENDENT AUDITOR'S REPORT

To the President and Council Members
of the Natchitoches Parish Government

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Natchitoches Parish Government (Parish Government) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Parish Government's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on Aggregate Discretely Presented Component Units

The financial statements referred to above do not include financial data for the Parish Government's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the Parish Government's primary government unless the Parish Government also issues financial statements for the financial reporting entity that include the financial data for its component units. The Parish Government has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues and expenses of the aggregate discretely presented component units that would have been reported is unknown.

Adverse Opinion on Aggregate Discretely Presented Component Units – The Reporting Entity

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Aggregate Discretely Component Units" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Natchitoches Parish Government, the reporting entity, as of December 31, 2013, or the changes in financial position thereof for the year then ended.

Basis for Qualified Opinion on Financial Statements as a Whole

Due to financial difficulties management has been unable to obtain an actuarial valuation of other post employment benefits, and accordingly has not recorded the expense of those benefits. Accounting principles generally accepted in the United States of America require that other post employment benefits be recorded, which would increase the liabilities and expenses of the governmental activities. The amount by which this departure would affect the assets, net position and expenses of the governmental activities is not reasonably determinable.

Qualified Opinions – The Primary Government

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion on Financial Statements as a Whole" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Natchitoches Parish Government, the primary government, as of December 31, 2013, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1 through 5 be presented to supplement the basic financial statements.

Such information, although not a part of the basic financial statements, is presented for purposes of additional analysis and is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the introductory section because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of the Natchitoches Parish Government's primary government. The budgetary comparisons listed as other required supplemental information in the table of contents and the combining nonmajor fund financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The budgetary comparison statements, combining nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison statements, combining nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2014, on our consideration of the Parish Government's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Natchitoches Parish Government's internal control over financial reporting and compliance.

Johnson, Thomas & Cunningham

Johnson, Thomas & Cunningham, CPA's

June 9, 2014
Natchitoches, Louisiana

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Natchitoches Parish Government
Statement of Net Position
December 31, 2013

	Governmental <u>Activities</u>
Assets-	
Current Assets-	
Cash & Cash Equivalents	\$ 6,692,314
Revenue Receivables	<u>6,580,976</u>
Total Current Assets	\$13,273,290
Noncurrent Assets-	
Capital Assets (net of accumulated depreciation)	<u>10,706,052</u>
Total Assets	<u>\$23,979,342</u>
Liabilities-	
Current Liabilities-	
Cash Overdraft	\$ 27,017
Accounts Payable	623,794
Accrued Payroll	402,461
Due to Other Governments	<u>894,223</u>
Total Current Liabilities	\$ 1,947,495
Long-term Liabilities-	
Accrued Compensated Absences	<u>142,189</u>
Total Liabilities	<u>\$ 2,089,684</u>
Net Position-	
Net Investment in Capital Assets	\$10,706,052
Unrestricted	<u>11,183,606</u>
Total Net Position	<u>\$21,889,658</u>

See notes to financial statements.

Natchitoches Parish Government
Statement of Activities
Year Ended December 31, 2013

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Revenue and Changes in Net Position</u>
<u>Governmental Activities</u>					
Primary Government:					
Governmental Activities-					
General Government	\$ 1,498,566	\$ 0	\$ 818,386	\$ 0	\$ (680,180)
Public Safety	1,903,709	111,972	429,027	0	(1,362,710)
Public Works	4,637,270	33,280	2,596,474	1,209,234	(798,282)
Health & Welfare	4,159,270	0	3,418,136	0	(741,134)
Recreation & Culture	1,787,106	20,482	1,507	0	(1,765,117)
Economic Development	<u>167,767</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(167,767)</u>
Total Governmental Activities	<u>\$14,153,688</u>	<u>\$165,734</u>	<u>\$7,263,530</u>	<u>\$1,209,234</u>	<u>\$ (5,515,190)</u>
General Revenues:					
Taxes-					
Ad Valorem					\$ 6,099,757
Sales & Use					2,242,971
Licenses & Permits					416,868
Interest					9,491
Miscellaneous					<u>120,933</u>
Total General Revenues					<u>\$ 8,890,020</u>
Change in Net Position					\$ 3,374,830
Net Position January 1, 2013					<u>18,514,828</u>
Net Position December 31, 2013					<u>\$21,889,658</u>

See notes to financial statements.

FUND FINANCIAL STATEMENTS

Natchitoches Parish Government
Governmental Funds-Balance Sheet
December 31, 2013

	Major Funds								
	Special Revenue Funds								
	General Fund	Road Maintenance Fund	Sales Tax Fund	Parish Library Fund	Health Unit Fund	Government Building Fund	Head Start Fund	Nonmajor Funds	Total Governmental Funds
<u>Assets</u>									
Cash & Cash Equivalents	\$ 711,107	\$1,282,630	\$1,443,237	\$1,365,273	\$ 515,770	\$ 745,674	\$ 0	\$ 628,623	\$ 6,692,314
Revenue Receivables	1,066,676	1,292,764	228,799	1,994,247	805,338	805,338	123,038	264,776	6,580,976
Due from Other Funds	0	0	0	0	0	0	0	1,000	1,000
Total Assets	<u>\$1,777,783</u>	<u>\$2,575,394</u>	<u>\$1,672,036</u>	<u>\$3,359,520</u>	<u>\$1,321,108</u>	<u>\$1,551,012</u>	<u>\$123,038</u>	<u>\$ 894,399</u>	<u>\$13,274,290</u>
<u>Liabilities</u>									
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,843	\$ 21,174	\$ 27,017
Accounts Payable	316,775	74,189	0	29,827	22,550	19,068	21,324	140,061	623,794
Accrued Payroll	30,146	40,721	0	81,205	10,399	8,832	114,780	116,378	402,461
Due to Other Governments	0	0	0	0	0	0	0	894,223	894,223
Due to Other Funds	0	0	0	0	0	0	0	1,000	1,000
Total Liabilities	<u>\$ 346,921</u>	<u>\$ 114,910</u>	<u>\$ 0</u>	<u>\$ 111,032</u>	<u>\$ 32,949</u>	<u>\$ 27,900</u>	<u>\$141,947</u>	<u>\$1,172,836</u>	<u>\$ 1,948,495</u>
<u>Fund Balance</u>									
Fund Balances-									
Restricted	\$ 0	\$2,460,484	\$1,672,036	\$3,248,488	\$1,288,159	\$1,523,112	\$ 0	\$ 544,187	\$10,736,466
Unassigned	1,430,862	0	0	0	0	0	(18,909)	(822,624)	589,329
Total Fund Balance	<u>\$1,430,862</u>	<u>\$2,460,484</u>	<u>\$1,672,036</u>	<u>\$3,248,488</u>	<u>\$1,288,159</u>	<u>\$1,523,112</u>	<u>\$ (18,909)</u>	<u>\$ (278,437)</u>	<u>\$11,325,795</u>
Total Liabilities & Fund Balance	<u>\$1,777,783</u>	<u>\$2,575,394</u>	<u>\$1,672,036</u>	<u>\$3,359,520</u>	<u>\$1,321,108</u>	<u>\$1,551,012</u>	<u>\$123,038</u>	<u>\$ 894,399</u>	<u>\$13,724,290</u>

See notes to financial statements.

Natchitoches Parish Government
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2013

Total Governmental Fund Balances	\$ 11,325,795
Amounts reported for Governmental Activities in the Statement of Net Position are different because:	
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds-	
Capital Assets	34,487,349
Less, Accumulated Depreciation	(23,781,297)
Long-term Liabilities are not due and payable in the current period and are not reported in the funds-	
Accrued Compensated Absences	<u>(142,189)</u>
Total Net Position of Governmental Activities at December 31, 2013	<u>\$ 21,889,658</u>

See notes to financial statements.

Natchitoches Parish Government
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31, 2013

	Major Funds								
	Special Revenue Funds								
	General Fund	Road Maintenance Fund	Sales Tax Fund	Parish Library Fund	Health Unit Fund	Government Building Fund	Head Start Fund	Nonmajor Funds	Total Governmental Funds
Revenues:									
Taxes-									
Ad Valorem	\$ 1,011,449	\$1,042,789	\$ 0	\$2,231,182	\$ 915,087	\$ 899,250	\$ 0	\$ 0	\$ 6,099,757
Sales & Use	0	0	2,242,971	0	0	0	0	0	2,242,971
License & Permits	288,595	0	0	0	0	0	0	128,273	416,868
Intergovernmental-									
Federal Grants	0	1,902,688	0	0	0	0	2,115,988	1,360,258	5,378,934
State Grants	818,386	1,777,632	0	0	0	0	0	35,447	2,631,465
Other Grants	9,883	0	0	1,507	0	0	0	451,425	462,815
Charges for Services	0	0	0	10,552	0	0	0	33,280	43,832
Fines & Forfeits	0	0	0	9,930	0	0	0	111,972	121,902
Miscellaneous	107,557	2,662	1,621	9,765	4,132	1,878	527	8,941	137,083
Total Revenues	<u>\$ 2,235,870</u>	<u>\$4,725,771</u>	<u>\$ 2,244,592</u>	<u>\$2,262,936</u>	<u>\$ 919,219</u>	<u>\$ 901,128</u>	<u>\$2,116,515</u>	<u>\$ 2,129,596</u>	<u>\$17,535,627</u>
Expenditures:									
Current-									
General Government	\$ 636,385	\$ 16,845	\$ 51,217	\$ 0	\$ 0	\$ 538,874	\$ 0	\$ 276,083	\$ 1,519,404
Public Safety	162,211	0	0	0	0	0	0	1,643,920	1,806,131
Public Works	0	3,642,750	0	0	0	0	0	1,719,666	5,362,416
Health & Welfare	13,985	0	0	0	516,059	0	2,148,671	1,403,913	4,082,628
Recreation & Culture	0	0	0	1,766,638	0	0	0	0	1,766,638
Economic Development	167,767	0	0	0	0	0	0	0	167,767
Total Expenditures	<u>\$ 980,348</u>	<u>\$3,659,595</u>	<u>\$ 51,217</u>	<u>\$1,766,638</u>	<u>\$ 516,059</u>	<u>\$ 538,874</u>	<u>\$2,148,671</u>	<u>\$ 5,043,582</u>	<u>\$14,704,984</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 1,255,522</u>	<u>\$1,066,176</u>	<u>\$ 2,193,375</u>	<u>\$ 496,298</u>	<u>\$ 403,160</u>	<u>\$ 362,254</u>	<u>\$ (32,156)</u>	<u>\$(2,913,986)</u>	<u>\$ 2,830,643</u>
Other Financing Sources (Uses):									
Operating Transfers In	\$ 300,000	\$1,265,861	\$ 599,750	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,369,872	\$ (5,535,483)
Operating Transfers Out	(1,558,040)	(605,656)	(2,873,890)	0	(300,000)	0	(27,371)	(170,526)	5,535,483
Total Other Financing	<u>\$(1,258,040)</u>	<u>\$ 660,205</u>	<u>\$(2,274,140)</u>	<u>\$ 0</u>	<u>\$ (300,000)</u>	<u>\$ 0</u>	<u>\$ (27,371)</u>	<u>\$ 3,199,346</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (2,518)</u>	<u>\$1,726,381</u>	<u>\$ (80,765)</u>	<u>\$ 496,298</u>	<u>\$ 103,160</u>	<u>\$ 362,254</u>	<u>\$ (59,527)</u>	<u>\$ 285,360</u>	<u>\$ 2,830,643</u>
Fund Balances-Beginning of Year	<u>1,433,380</u>	<u>734,103</u>	<u>1,752,801</u>	<u>2,752,190</u>	<u>1,184,999</u>	<u>1,160,858</u>	<u>40,618</u>	<u>(563,797)</u>	<u>8,495,152</u>
Fund Balances-End of Year	<u>\$ 1,430,862</u>	<u>\$2,460,484</u>	<u>\$ 1,672,036</u>	<u>\$3,248,488</u>	<u>\$1,288,159</u>	<u>\$1,523,112</u>	<u>\$ (18,909)</u>	<u>\$ (278,437)</u>	<u>\$11,325,795</u>

See notes to financial statements.

Natchitoches Parish Government
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2013

Net Change in Fund Balances-Total Governmental Funds	\$2,830,643
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Amounts reported for Governmental Activities
in the Statement of Activities are different because:

Governmental Funds report Capital Outlays as
expenditures. However, in the Statement of Activities,
the cost of these assets is allocated over their estimated
useful lives as depreciation expense. The current year
amounts for these items were-

Capital Expenditures	1,284,325
Depreciation Expense	(744,608)

Decreases in Long-term Debt are reflected as a
decrease in expenses on the Statement of Activities,
but are not reported in the Governmental Funds

Accrued Compensated Absences	11,125
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The net effect of the disposition of capital assets
is to decrease net position:

Decrease in Capital Assets	(519,675)
Decrease in Accumulated Depreciation	<u>513,020</u>

Change in Net Position of Governmental Activities	<u>\$3,374,830</u>
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See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

Introduction

The Natchitoches Parish Government is the governing authority for Natchitoches Parish, and is a political subdivision of the State of Louisiana. The Parish Government, under the provisions of Louisiana Revised Statutes 33:1236-1244, enacts ordinances, sets policy and establishes programs in such fields as criminal and juvenile justice, highways and streets, sanitation, planning and zoning, public health, libraries, recreational facilities and general administrative services. The Parish Government operates as a President-Council form of government, with the president and the five council members representing the various districts of Natchitoches Parish.

1. Summary of Significant Accounting Policies

A. Reporting Entity

As the governing authority of the Parish, for reporting purposes, the Natchitoches Parish Government is the financial reporting entity for Natchitoches Parish. The financial reporting entity consists of (a) the primary government (Parish Government), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Natchitoches Parish Government for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body and
 - a. The ability of the Parish Government to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Parish Government.
2. Organizations for which the Parish Government does not appoint a voting majority but are fiscally dependent and
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

Based on the previous criteria, the Parish Government has determined that the following component units are part of the reporting entity:

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Fire District No. 1	12-31	1 and 3
Fire District No. 2	12-31	1 and 3
Fire District No. 3	12-31	1 and 3
Fire District No. 4	12-31	1 and 3
Fire District No. 5	12-31	1 and 3
Fire District No. 6	12-31	1 and 3
Fire District No. 7	12-31	1 and 3
Fire District No. 8	12-31	1 and 3
Fire District No. 9	6-30	1 and 3
Fire District No. 10	6-30	1 and 3
Parish Assessor's Office	12-31	2 and 3
Parish Clerk of Court	6-30	2 and 3
Tenth Judicial District Court Expense Fund	12-31	2 and 3
District Attorney	12-31	2 and 3
Tourist Commission	12-31	1 and 3
Communications District	12-31	1 and 3
Sheriff	6-30	2 and 3
Hospital Service District	6-30	1 and 3
Northwest LA Fish and Game Preserve	12-31	1 and 3

The Parish Government has chosen to issue financial statements of the primary government (Parish Government), which exclude the above listed component units. For information to obtain financial statements for any of the above component units, contact the treasurer of the Parish Government at 318-352-2714.

These primary government (Parish Government) financial statements include all funds and organizations for which the Parish Government maintains the accounting records. All the blended component units are included as funds within the reporting entity and include the Parish Library, Tenth Judicial District Criminal Court Fund, Civil Defense Fund, and Natchitoches Parish Office of Community Services.

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (Parish Government) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (Parish Government).

B. Government-Wide and Fund Financial Statements

The Government-Wide Financial Statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Government-Wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

Property taxes, franchise taxes, intergovernmental revenues, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Parish Government reports the following major governmental funds:

General Fund-The General Fund is the Parish Government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Funds-Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

The Parish Government's major special revenue funds are-

Road Maintenance Fund-Used to account for the Parish Government's road, bridge, and drainage projects.

Sales Tax Fund-Used to account for the collection of a 1% sales and use tax used to finance the Solid Waste Fund, with any remaining balance used for the Road Maintenance Fund.

Parish Library Fund-Used to account for the operations of the parish library.

Health Unit Fund-Used to account for the Parish Government's portion of costs associated with parish health unit.

Government Building Fund-Used to account for monies provided by a property tax levy to be used in the maintenance and operation of the Natchitoches Parish Courthouse, and other Parish Government properties.

Head Start Fund-Used to account for the Parish Government's Head Start programs.

D. Deposits and Investments

The Parish Government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of twelve months or less from the date of acquisition. State law and the Parish Government's investment policy allow the Parish Government to invest in collateralized certificates of deposit, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

E. Interfund Transactions

There are several types of transactions that are reported in the financial statements as interfund items. Interfund transactions, which constitute reimbursements of a fund for expenditures initially made from that fund, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund, and as reductions of the expenditure in the fund that is being reimbursed. Nonrecurring or nonroutine transfers of equity between funds are treated as residual transfers and are reported as additions to or deductions from fund balance. All other transfers are treated as operating transfers and are included in the results of operations of the funds.

The Criminal Court Fund includes revenues and expenditures of the Tenth Judicial District Court. The monies in the fund are not available for use by the Parish Government. However, state law requires that the Parish Government fund all deficits of the fund and entitles the Parish Government to one-half of any surplus of the fund. These transactions are accounted for as operating transfers of the Criminal Court Fund and the General Fund as applicable.

The following are summaries of interfund receivables and payables, and interfund operating transfers:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Special Revenue Funds-		
Kisatchie Search & Rescue	\$ 0	\$1,000
Title III Kisatchie Search & Rescue	<u>1,000</u>	<u>0</u>
Totals	<u>\$1,000</u>	<u>\$1,000</u>
	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
General Fund	\$ 300,000	\$1,558,040
Special Revenue Funds-		
Road Maintenance Fund	1,265,861	605,656
Sales Tax Fund	599,750	2,873,890
Health Unit Fund	0	300,000
Criminal Court	180,000	0
Public Safety	1,245,000	0
Disposal Solid Waste	1,725,000	116,971
CJ/Criminal Waiver/Juror	30,000	0
Kisatchie Search & Rescue	0	2,352
Title III Kisatchie Search & Rescue	2,352	0
Planning	48,263	0
OCS-CACFP	29,077	1,706
OCS-Head Start	0	27,371
OCS-LIHEAP	17,043	17,043
OCS-CSBG	66,443	32,454

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
OCS-Emergency Food	208	0
OCS-RSVP	2,589	0
OCS-TTA/CDA	325	0
OCS-Senior Companion	17,402	0
OCS-Summer Feeding	263	0
Capital Projects Funds-		
FEMA	<u>5,907</u>	<u>0</u>
Totals	<u>\$5,535,483</u>	<u>\$5,535,483</u>

Transfers are primarily used to move funds:

- From Health Unit Maintenance Fund to the General Fund to help fund inmate medical costs.
- From General Fund to Criminal Court and Public Safety Funds as mandated by Louisiana law to fund criminal court cost and prisoner maintenance.
- From Sales Tax Fund to Solid Waste Disposal Fund to fund waste disposal.
- From General Fund to OCS Funds to clear fund deficits.
- Other miscellaneous transfers to move operation monies to and from various funds.

F. Capital Assets

Capital Assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Parish Government maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Roads, bridges, & infrastructure	50 years
Buildings & building improvements	40 years
Furniture & fixtures	5-7 years
Vehicles	5-7 years
Equipment	5-7 years

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

G. Inventories

Inventories are considered expenditures when purchased; therefore, physical inventories are not taken. Inventories on hand at December 31, 2013, are immaterial and are approximately the same as at December 31, 2012. Inventories consist of gravel, road building and general maintenance materials, and supplies.

H. Compensated Absences

Full-time Parish Government employees may earn from five to twenty days of annual leave and five to twelve days of sick leave per year depending on length of service. Upon resigning, employees may be paid for annual leave up to fifty days. Retiring employees are not paid for accrued annual leave in excess of fifty days, but are given credit toward retirement length of service. Similarly, employees are not paid for accrued sick leave upon resigning or retiring, but accrued sick leave may be applied against total employment years at retirement.

I. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position.

In the fund financial statements, governmental fund types recognize debt issued as other financing sources. Repayment of the principal and interest is shown as an expenditure.

J. Fund Balance

In the fund statements, governmental fund equity is classified as fund balance. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose. Only the General Fund would report positive amounts in unassigned fund balance.

The Parish Government has restricted fund balances of \$10,736,466 and unassigned fund balances of \$589,329. If applicable, the Parish Government would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

K. Net Position

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net Investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted Net Position - All other net resources that do not meet the definition of "restricted" or "invested in capital assets".

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

L. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

M. Recently Issued and Adopted Accounting Pronouncements

In November 2010, the GASB issued Statement 61, *The Financial Reporting Entity: Omnibus and amendment of GASB Statements No. 14 and No. 34*. GASB 61 provides additional criteria for classifying entities as component units to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. This statement is effective for periods beginning after June 15, 2012.

In March 2012, the GASB issued Statement 66, *Technical Corrections-2012*. GASB 66 improves accounting and financial reporting by state and local governmental entities by resolving conflicting guidance that resulted from the issuance of GASB No. 54 and GASB No. 62. This statement is effective for periods beginning after December 15, 2012. The adoption of GASB 66 does not have any impact on the Parish Government's financial statements.

2. Budgets and Budgetary Accounting

The Parish Government utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to December 1, the Treasurer submits to the Parish Government a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) A public hearing is then conducted, after proper official journal notification, to obtain public comments.
- (3) Prior to December 31, the budget is legally enacted through passage of an ordinance.
- (4) The budget ordinance is structured such that revenues are budgeted by source and appropriations are budgeted by department and by principal object of expenditure. Revisions to the budget as enacted require Parish Government action. Several such revisions were made during the year ended December 31, 2013.
- (5) The Parish Government utilizes formal budgetary integration as a management control device for the General Fund and Special Revenue Funds.
- (6) The basis of accounting applied to budgetary data presented is substantially consistent with the appropriate basis of accounting for each fund type for which an annual budget is prepared. Appropriations that are not expended lapse at year-end.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

3. Deficits in Individual Funds

At December 31, 2013, the following funds had a deficit balance in their fund balance:

<u>Fund</u>	<u>Amount</u>
Office of Community Services-	
Head Start	\$ 18,909
Senior Companion Program	12,271
Public Safety	<u>810,353</u>
Total	<u>\$841,533</u>

The deficits in the Head Start Fund will be funded by intrafund transfers at the end of each respective grant period. However, some programs have no future source of grants to use to fund the deficits. The deficit in Senior Companion Fund must be funded by the General Fund. The deficit in the Public Safety Fund will need to be funded by transfers from the General Fund in future years, if funding is available.

4. Cash and Cash Equivalents

At December 31, 2013, the Parish Government had cash and cash equivalents (book balances) totaling \$6,665,297 as follows-

Interest-bearing demand deposits	\$6,198,727
U.S. Government Securities	<u>466,570</u>
Total	<u>\$6,665,297</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2013, the Parish Government has \$6,052,205 in deposits (collected bank balances). These deposits are secured from risk by \$265,375 of federal deposit insurance and \$5,786,830 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3). The \$466,570 in securities is secured by the U.S. Government.

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Parish Government that the fiscal agent has failed to pay deposited funds upon demand.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

5. Receivables

The following is a summary of receivables at December 31, 2013:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>
Taxes-		
Ad Valorem	\$ 864,143	\$4,576,320
Other Taxes	114,870	228,799
Intergovernmental-		
Federal	0	421,965
State	38,010	95,357
Local	0	183,771
Other	<u>49,653</u>	<u>8,088</u>
Totals	<u>\$1,066,676</u>	<u>\$5,514,300</u>

Substantially all receivables are considered to be fully collectible, and no allowance for uncollectibles is used.

6. Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2013, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
General Fund:				
Capital Assets-				
Land	\$ 423,873	\$ 0	\$ 500	\$ 423,373
Building	4,973,966	0	0	4,973,966
Office Equipment	244,564	0	30,911	213,653
Other Equipment	87,409	0	29,254	58,155
Vehicles	<u>230,923</u>	<u>0</u>	<u>0</u>	<u>230,923</u>
Total Assets	<u>\$ 5,960,735</u>	<u>\$ 0</u>	<u>\$ 60,665</u>	<u>\$ 5,900,070</u>
Accumulated Depreciation-				
Building	\$ 3,273,123	\$ 90,340	\$ 0	\$ 3,363,464
Office Equipment	241,276	1,181	30,911	211,546
Other Equipment	73,211	3,124	29,136	47,199
Vehicles	<u>228,214</u>	<u>2,707</u>	<u>0</u>	<u>230,921</u>
Total Acc. Deprec.	<u>\$ 3,815,824</u>	<u>\$ 97,352</u>	<u>\$ 60,047</u>	<u>\$ 3,853,130</u>

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Civil Defense:				
Capital Assets-				
Office Equipment	\$ 38,504	\$ 0	\$ 0	\$ 38,504
Other Equipment	<u>18,265</u>	<u>0</u>	<u>0</u>	<u>18,265</u>
Total Assets	<u>\$ 56,769</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 56,769</u>
Accumulated Depreciation-				
Office Equipment	\$ 38,504	\$ 0	\$ 0	\$ 38,504
Other Equipment	<u>18,265</u>	<u>0</u>	<u>0</u>	<u>18,265</u>
Total Acc. Deprec.	<u>\$ 56,769</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 56,769</u>
Criminal Court/DA:				
Capital Assets-				
Office Equipment	\$ 50,880	\$ 0	\$ 12,300	\$ 38,580
Other Equipment	<u>39,733</u>	<u>0</u>	<u>3,169</u>	<u>36,564</u>
Total Assets	<u>\$ 90,613</u>	<u>\$ 0</u>	<u>\$ 15,469</u>	<u>\$ 75,144</u>
Criminal Court/DA:				
Accumulated Depreciation-				
Office Equipment	\$ 50,880	\$ 0	\$ 12,300	\$ 38,580
Other Equipment	<u>39,733</u>	<u>0</u>	<u>3,169</u>	<u>36,564</u>
Total Acc. Deprec.	<u>\$ 90,613</u>	<u>\$ 0</u>	<u>\$ 15,469</u>	<u>\$ 75,144</u>
Health Unit:				
Capital Assets-				
Building	\$ 846,415	\$ 0	\$ 0	\$ 846,415
Office Equipment	57,750	0	1,396	56,354
Other Equipment	71,086	1,349	6,590	65,845
Vehicles	<u>214,790</u>	<u>0</u>	<u>0</u>	<u>214,790</u>
Total Assets	<u>\$ 1,190,041</u>	<u>\$ 1,349</u>	<u>\$ 7,986</u>	<u>\$ 1,183,404</u>
Accumulated Depreciation-				
Building	\$ 527,899	\$ 21,160	\$ 0	\$ 549,060
Office Equipment	49,611	2,921	1,396	51,135
Other Equipment	62,006	6,055	6,590	61,471
Vehicles	<u>111,247</u>	<u>24,463</u>	<u>0</u>	<u>135,710</u>
Total Acc. Deprec.	<u>\$ 750,763</u>	<u>\$ 54,599</u>	<u>\$ 7,986</u>	<u>\$ 797,376</u>
Government Building:				
Capital Assets-				
Other Equipment	\$ 42,178	\$ 1,995	\$ 3,692	\$ 40,481
Vehicles	<u>12,993</u>	<u>0</u>	<u>0</u>	<u>12,993</u>
Total Assets	<u>\$ 55,171</u>	<u>\$ 1,995</u>	<u>\$ 3,692</u>	<u>\$ 53,474</u>

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Accumulated Depreciation-				
Other Equipment	\$ 18,114	\$ 3,526	\$ 3,221	\$ 18,419
Vehicles	<u>12,213</u>	<u>260</u>	<u>0</u>	<u>12,473</u>
Total Acc. Deprec.	<u>\$ 30,327</u>	<u>\$ 3,786</u>	<u>\$ 3,221</u>	<u>\$ 30,892</u>
Head Start:				
Capital Assets-				
Building	\$ 140,390	\$ 0	\$ 4,542	\$ 135,848
Office Equipment	180,889	2,354	21,856	161,386
Other Equipment	376,125	8,056	27,674	356,507
Vehicles	<u>181,279</u>	<u>0</u>	<u>0</u>	<u>181,279</u>
Total Assets	<u>\$ 878,683</u>	<u>\$ 10,410</u>	<u>\$ 54,072</u>	<u>\$ 835,020</u>
Accumulated Depreciation-				
Building	\$ 115,411	\$ 5,471	\$ 3,267	\$ 117,615
Office Equipment	179,337	1,367	21,856	158,848
Other Equipment	248,459	24,588	25,114	247,934
Vehicles	<u>181,279</u>	<u>0</u>	<u>0</u>	<u>181,279</u>
Total Acc. Deprec.	<u>\$ 724,486</u>	<u>\$ 31,426</u>	<u>\$ 50,237</u>	<u>\$ 705,676</u>
LIHEAP:				
Capital Assets-				
Office Equipment	\$ <u>4,256</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>4,256</u>
Total Assets	<u>\$ 4,256</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,256</u>
Accumulated Depreciation-				
Office Equipment	\$ <u>4,256</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>4,256</u>
Total Acc. Deprec.	<u>\$ 4,256</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,256</u>
Rural Transit:				
Capital Assets-				
Vehicles	\$ <u>15,425</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>15,425</u>
Total Assets	<u>\$ 15,425</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 15,425</u>
Accumulated Depreciation-				
Vehicles	\$ <u>15,425</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>15,425</u>
Total Acc. Deprec.	<u>\$ 15,425</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 15,425</u>

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Library:				
Capital Assets-				
Office Equipment	\$ 715,130	\$ 3,525	\$ 96,462	\$ 622,194
Vehicles	20,730	0	0	20,730
CIP	0	29,054	0	29,054
Books, Recordings, etc.	<u>1,915,009</u>	<u>154,146</u>	<u>153,315</u>	<u>1,915,839</u>
Total Assets	<u>\$ 2,650,869</u>	<u>\$186,725</u>	<u>\$ 249,777</u>	<u>\$ 2,587,817</u>
Accumulated Depreciation-				
Office Equipment	\$ 561,213	\$ 34,373	\$ 94,727	\$ 500,859
Vehicles	4,146	4,146	0	8,292
Books, Recordings, etc.	<u>1,567,112</u>	<u>164,592</u>	<u>153,315</u>	<u>1,578,389</u>
Total Acc. Deprec.	<u>\$ 2,132,471</u>	<u>\$203,111</u>	<u>\$ 248,042</u>	<u>\$ 2,087,540</u>
Road Maintenance:				
Capital Assets-				
Land	\$ 48,112	\$ 0	\$ 0	\$ 48,112
Building	512,194	0	978	511,216
Office Equipment	16,251	0	0	16,251
Other Equipment	944,185	0	12,166	932,019
Vehicles	1,179,568	0	0	1,179,568
Bridges	9,890,376	1,083,846	114,871	10,859,352
Roads	<u>10,229,452</u>	<u>0</u>	<u>0</u>	<u>10,229,452</u>
Total Assets	<u>\$22,820,138</u>	<u>\$1,083,846</u>	<u>\$ 128,015</u>	<u>\$23,775,970</u>
Accumulated Depreciation-				
Building	\$ 320,227	\$ 15,866	\$ 978	\$ 335,114
Office Equipment	15,708	543	0	16,251
Other Equipment	619,836	79,728	12,166	687,398
Vehicles	798,984	68,432	0	867,416
Bridges	4,077,477	184,818	114,871	4,147,424
Roads	<u>10,096,539</u>	<u>4,947</u>	<u>0</u>	<u>10,101,486</u>
Total Acc. Deprec.	<u>\$15,928,771</u>	<u>\$ 354,334</u>	<u>\$ 128,015</u>	<u>\$16,155,089</u>
Total Capital Assets	\$33,722,700	\$1,284,325	\$ 519,676	\$34,487,349
Total Accumulated Depreciation	<u>23,549,705</u>	<u>744,608</u>	<u>513,016</u>	<u>23,781,297</u>
Total Capital Assets, Net	<u>\$10,172,995</u>	<u>\$ 539,717</u>	<u>\$ 6,660</u>	<u>\$10,706,052</u>

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

Depreciation expense of \$744,609 for the year ended December 31, 2013, was charged to the following governmental funds:

General Government	\$101,319
Public Safety	54,599
Public Works	354,334
Health & Welfare	31,246
Recreation & Culture	<u>203,110</u>
Total	<u>\$744,608</u>

7. Accounts, Salaries and Other Payables

The payables of \$1,026,255 at December 31, 2013, are as follows:

<u>Class of Payable</u>	<u>General Fund</u>	<u>Special Revenue Funds</u>
Accounts Payable	\$316,775	\$307,019
Accrued Payroll	<u>30,146</u>	<u>372,315</u>
Totals	<u>\$346,921</u>	<u>\$679,334</u>

8. Long-Term Debt

The following is a summary of changes in long-term debt for the year ended December 31, 2013:

	<u>Balance 1-1-13</u>	<u>Additions</u>	<u>Reduction</u>	<u>Balance 12-31-13</u>
Compensated Absences	<u>\$153,314</u>	<u>\$12,926</u>	<u>\$24,051</u>	<u>\$142,189</u>

9. Pension Plans

Substantially all employees of the Natchitoches Parish Government are members of the Parochial Employee's Retirement System of Louisiana (System), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Parish Government are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds are eligible to participate in the System. As of January 1, 1997, elected officials, except coroners and justices of the peace, may no longer join the retirement system. Those elected officials

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

enrolled as of January 1, 1997, will maintain membership as long as they hold office. Justices of the Peace have an option to join at any time within twelve months of taking the oath of office. Coroners may join at any time on a current basis and now have the option of purchasing prior service as coroners at actuarial cost. Under Plan A, employees who retire at age 67 with at least 7 years of creditable service, at or after age 62 with at least 10 years of creditable service, at or after age 55 with at least 30 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned prior to January 1, 1980.

Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, P. O. Box 14619, Baton Rouge, LA 70898-4619, or by calling (225) 928-1361.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Natchitoches Parish Government is required to contribute at an actuarially determined rate. The current rate is 16.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Natchitoches Parish Government are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Natchitoches Parish Government's contributions to the System under Plan A for the years ending December 31, 2013, 2012 and 2011, were \$665,836, \$724,487, and \$633,588, respectively, equal to the required contributions for each year.

10. Risk Management/Contingencies/Pending Litigation

- Beginning January 1, 2000, the Parish Government ceased carrying liability insurance except for buildings and vehicles. For suits occurring on liability issues not related to vehicles and buildings, the Parish Government has adopted a policy of not defending or paying such suits. At December 31, 2013, there are no known outstanding judgments or suits against the Parish Government for issues not related to vehicles and buildings.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

- Financial Stability-For the past several years the Natchitoches Parish Government has incurred financial difficulties due to rising costs specifically in the Criminal Court Fund and the various Office of Community Services funds. At the same time, revenues are not rising and several attempts to pass additional sales taxes have failed. The Parish Government is required to cover the cost of housing and feeding pre-trial inmates in the Natchitoches Parish Detention Center as well as other costs necessary for the operation of the Criminal Court. The Parish Government has established the Public Safety Fund to account for the costs of pre-trial inmates, however, the General Fund is fully responsible for the expenditures of this fund. In addition, the Office of Community Services, a component unit of the Parish Government, has overspent program revenues causing cash overdrafts and fund deficits that the Parish Government must fund.

At December 31, 2013, the General Fund had a fund balance of \$1,430,862. As per note disclosure number 3, the fund deficits of the Public Safety Fund and Office of Community Services funds are \$841,533. The financial stability of the Parish Government is improving, but is still not stable. Management of the Parish Government is aware of the financial difficulties caused by this situation and is monitoring these transactions closely.

- Office of Community Services-Head Start Program – The Head Start Program has a program year that ends on February 28. At the end of the program year of February 28, 2013, the OCS-Head Start Program was not automatically granted and extended into the next program year. Instead, the grantor agency required the OCS-Head Start Program to re-apply for the program, and also opened this application opportunity to all other interested parties who would want to administer the program for Natchitoches and DeSoto Parishes of Louisiana. The application from the OCS-Head Start Program was denied by the grantor agency. However, the grantor did grant an extension of funding until June 30, 2014. As of the date of these financial statements, the OCS-Head Start Program has not been notified if the program will receive another extension and funding after June 30, 2014.

11. Ad Valorem Taxes

The Parish Government levies taxes on real and business personal property located within the boundaries of Natchitoches Parish. Property taxes are levied by the Parish Government on property values assessed by the Natchitoches Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

The Natchitoches Parish Sheriff's Office bills and collects property taxes for the Parish Government. Collections are remitted to the Parish Government monthly.

Property Tax Calendar

Assessment date	January 1
Levy date	June 30
Tax bills mailed	October 15
Total taxes are due	December 31
Penalties & interest added	January 31
Lien date	January 31
Tax sale	May 15

The Parish Government is permitted to levy taxes up to 10% of the assessed property valuation for each specified purpose, or, in the aggregate for all purposes 25% of the assessed valuation for the payment of principal and interest on long-term debt after the approval by the voters of the Parish. Property taxes are recorded as receivables and revenues in the year assessed.

Assessed values are established by the Natchitoches Parish Tax Assessor each year on a uniform basis at the following ratios to fair market value:

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2012. Total assessed value was \$323,460,140 in 2013. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was a total of \$51,516,860 of the assessed value in 2013.

The distribution of the Parish Government's levy (tax rate per \$1,000 assessed value) to its funds was as follows for 2013:

<u>Fund</u>	<u>Inside City of Natchitoches</u>	<u>Outside City of Natchitoches</u>
General Fund	1.73	3.47
Road Maintenance	0	4.87
Courthouse Maintenance	2.88	2.88
Parish Library	7.07	7.07
Health Unit Fund	2.88	2.88

Total ad valorem tax revenues recognized by the Parish Government were \$6,099,757 for the year ended December 31, 2013.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

The following are the principal taxpayers for the Parish:

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Acadian Gas Pipeline System	\$ 62,043,670	19%
International Paper Co.	31,552,490	10%
Crosstex LIG., LLC	13,583,370	4%
Martco Limited Partners	11,857,620	4%
Alliance Compressors	9,599,840	3%
Tennessee Gas Pipeline, Co.	8,218,540	3%
Centerpoint Energy	7,047,400	1%
Cleco Corporation	4,843,080	1%
Weyerhaeuser Co.	4,190,380	1%
GulfSouth Pipeline	<u>3,624,210</u>	1%
Total	<u>\$156,560,600</u>	<u>48%</u>

12. Lease Commitments

The Parish Government has commitments under several operating lease agreements for land use, voting precinct space, equipment, and miscellaneous. Generally, these lease agreements are cancelable by the Parish Government at any time. Parish Government management does feel, however, that such leases will generally be renewed or replaced each year. Total rental expense under operating leases was approximately \$13,000 during 2013.

13. Dedication of Proceeds and Flow of Funds-Sales & Use Tax

Proceeds of the 1% Sales and Use Tax levied by the Natchitoches Parish Government (2013 collections \$2,242,971) are dedicated to the following purposes:

- A) To pay the normal operating expenses involved in collecting the tax;
- B) To fund the operations for waste disposal;
- C) To fund the operations of the Road Maintenance Fund with any remaining balance.

14. Criminal Court Fund

Louisiana Revised Statute 15:571.11 requires that one-half of any balance remaining in the Criminal Court Fund at year-end be transferred to the parish General Fund. Since the Parish Government's General Fund supports the Criminal Court Fund, no such transfer is made by the Natchitoches Parish Government.

Natchitoches Parish Government
Notes to Financial Statements
December 31, 2013

15. Schedule of Compensation Paid to Members

Additional Compensation	
<u>Member</u>	<u>Council</u>
Christopher Paige	\$ 6,174
John Salter	6,232
Rodney Bedgood	6,174
Rickey LaCour	5,710
Aaron Johnson	<u>5,710</u>
Total	<u>\$30,000</u>

16. Subsequent Events

Management has evaluated events through June 9, 2014, the date which the financial statements were available for issue. There were no additional items to be reported.

OTHER REQUIRED SUPPLEMENTAL INFORMATION

Natchitoches Parish Government
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:				
Taxes	\$ 943,106	\$1,018,392	\$ 1,011,449	\$ (6,943)
Licenses & Permits	290,000	269,500	288,595	19,095
Intergovernmental- State Grants	691,595	869,041	818,386	(50,655)
Charges for Services	10	10	0	(10)
Interest & Miscellaneous	<u>18,150</u>	<u>137,300</u>	<u>117,440</u>	<u>(19,860)</u>
Total Revenues	<u>\$ 1,942,861</u>	<u>\$ 2,294,243</u>	<u>\$ 2,235,870</u>	<u>\$ (58,373)</u>
Expenditures:				
General Government- Legislative	\$ 64,292	\$ 91,747	\$ 59,001	\$ 32,746
Elections	151,234	86,679	76,287	10,392
Finance & Administration	570,868	519,168	501,097	18,071
Public Safety	140,595	162,211	162,211	0
Health & Welfare	4,800	15,300	13,985	1,315
Economic Development	<u>23,750</u>	<u>148,250</u>	<u>167,767</u>	<u>(19,517)</u>
Total Expenditures	<u>\$ 955,539</u>	<u>\$ 1,023,355</u>	<u>\$ 980,348</u>	<u>\$ 43,007</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 987,322</u>	<u>\$ 1,270,888</u>	<u>\$ 1,255,522</u>	<u>\$ (15,366)</u>
Other Financing Sources (Uses):				
Operating Transfers In	\$ 300,000	\$ 300,000	\$ 300,000	\$ 0
Operating Transfers Out	<u>(1,570,000)</u>	<u>(1,647,017)</u>	<u>(1,558,040)</u>	<u>88,977</u>
Total Other Financing	<u>\$(1,270,000)</u>	<u>\$(1,347,017)</u>	<u>\$(1,258,040)</u>	<u>\$ 88,977</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (282,678)</u>	<u>\$ (76,129)</u>	<u>\$ (2,518)</u>	<u>\$ 73,611</u>
Fund Balance-Beginning of Year	<u>1,433,380</u>	<u>1,433,380</u>	<u>1,433,380</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 1,150,702</u>	<u>\$ 1,357,251</u>	<u>\$ 1,430,862</u>	<u>\$ 73,611</u>

See notes to financial statements.

Natchitoches Parish Government
Road Maintenance Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2013

	Original Budget	Final Budget	Adjust to Accrual Basis	Adjusted Budget	Actual	Variance- Favorable (Unfavorable)
Revenues:						
Taxes-						
Ad Valorem Taxes	\$1,047,703	\$1,047,703	\$ 0	\$1,047,703	\$1,042,789	\$ (4,914)
Intergovernmental-						
Federal Grants	2,066,757	1,772,155	0	1,772,155	1,902,688	130,533
State Grants	463,550	593,726	1,083,846	1,677,572	1,777,632	100,060
Miscellaneous-						
Interest	1,500	1,700	0	1,700	1,662	(38)
Miscellaneous	4,500	1,000	0	1,000	1,000	0
Total Revenues	<u>\$3,584,010</u>	<u>\$3,416,284</u>	<u>\$1,083,846</u>	<u>\$4,500,130</u>	<u>\$4,725,771</u>	<u>\$ 225,641</u>
Expenditures:						
General Government-						
Finance & Administration-						
Telephone	\$ 6,500	\$ 6,500	\$ 0	\$ 6,500	\$ 5,345	\$ 1,155
Utilities	13,500	11,500	0	11,500	11,500	0
Public Works-						
Personnel Cost	1,082,843	1,072,243	0	1,072,243	1,093,695	(21,452)
Equipment Maintenance	20,000	27,225	0	27,225	29,752	(2,527)
Insurance	59,000	53,119	0	53,119	54,119	(1,000)
Fuel & Oil	294,000	290,500	0	290,500	263,071	27,429
Road & Bridge Materials	1,257,775	687,614	0	687,614	565,736	121,878
Other Supplies	157,925	144,025	0	144,025	116,283	27,742
Miscellaneous	508,329	584,200	0	584,200	288,080	296,120
Equipment Rental	141,400	149,836	0	149,836	145,053	4,783
Repairs & Maintenance	100	3,100	0	3,100	3,115	(15)
Capital Expenditures	<u>175,000</u>	<u>0</u>	<u>1,083,846</u>	<u>1,083,846</u>	<u>1,083,846</u>	<u>0</u>
Total Expenditures	<u>\$3,716,372</u>	<u>\$3,029,862</u>	<u>\$1,083,846</u>	<u>\$4,113,708</u>	<u>\$3,659,595</u>	<u>\$ 454,113</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (132,362)</u>	<u>\$ 386,422</u>	<u>\$ 0</u>	<u>\$ 386,422</u>	<u>\$1,066,176</u>	<u>\$ 679,754</u>
Other Financing Sources (Uses):						
Operating Transfer from Sales Tax	\$1,148,890	\$1,148,890	\$ 0	\$1,148,890	\$1,265,861	\$ 116,971
Operating Transfers to Sales Tax Fund	<u>(599,750)</u>	<u>(599,750)</u>	<u>0</u>	<u>(599,750)</u>	<u>(605,656)</u>	<u>(5,906)</u>
Total Other Financing Sources (Uses)	<u>\$ 549,140</u>	<u>\$ 549,140</u>	<u>\$ 0</u>	<u>\$ 549,140</u>	<u>\$ 660,205</u>	<u>\$ 111,065</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 416,778</u>	<u>\$ 935,562</u>	<u>\$ 0</u>	<u>\$ 935,562</u>	<u>\$1,726,381</u>	<u>\$ 790,819</u>
Fund Balance-Beginning of Year	<u>734,103</u>	<u>734,103</u>	<u>0</u>	<u>734,103</u>	<u>734,103</u>	<u>0</u>
Fund Balance-End of Year	<u>\$1,150,881</u>	<u>\$1,669,665</u>	<u>\$ 0</u>	<u>\$1,669,665</u>	<u>\$2,460,484</u>	<u>\$ 790,819</u>

See notes to financial statements.

Natchitoches Parish Government
Sales Tax Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Revenues:				
Taxes-				
Sales & Use Tax	\$ 1,850,000	\$ 2,210,000	\$ 2,242,971	\$ 32,971
Miscellaneous-				
Interest	<u>2,000</u>	<u>1,650</u>	<u>1,621</u>	<u>(29)</u>
Total Revenues	\$ 1,852,000	\$ 2,211,650	\$ 2,244,592	\$ 32,942
Expenditures:				
General Government-				
Finance & Administration	<u>252,880</u>	<u>56,980</u>	<u>51,217</u>	<u>5,763</u>
Excess of Revenues over Expenditures	\$ <u>1,599,120</u>	\$ <u>2,154,670</u>	\$ <u>2,193,375</u>	\$ <u>38,705</u>
Other Financing Sources (Uses):				
Operating Transfers From-				
Road Maintenance	\$ 0	\$ 599,750	\$ 599,750	\$ 0
Operating Transfers To-				
Road Maintenance	(1,800,000)	(1,148,890)	(1,148,890)	0
Solid Waste Disposal	<u>0</u>	<u>(1,800,000)</u>	<u>(1,725,000)</u>	<u>75,000</u>
Total Other Financing	\$ <u>(1,800,000)</u>	\$ <u>(2,349,140)</u>	\$ <u>(2,274,140)</u>	\$ <u>75,000</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ (200,880)	\$ (194,470)	\$ (80,765)	\$113,705
Fund Balance-Beginning of Year	<u>1,752,801</u>	<u>1,752,801</u>	<u>1,752,801</u>	<u>0</u>
Fund Balance-End of Year	\$ <u>1,551,921</u>	\$ <u>1,558,331</u>	\$ <u>1,672,036</u>	\$ <u>113,705</u>

See notes to financial statements.

Natchitoches Parish Government
Parish Library Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2013

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Revenues:				
Taxes-				
Ad Valorem	\$1,913,000	\$1,927,000	\$2,231,182	\$ 304,182
Intergovernmental-				
State Grants	11,000	11,000	0	(11,000)
Local Grants	3,164	4,164	1,507	(2,657)
Charges for Services	6,000	10,050	10,552	502
Fines & Forfeits	8,500	9,600	9,930	330
Miscellaneous	<u>454,707</u>	<u>460,527</u>	<u>9,765</u>	<u>(450,762)</u>
Total Revenues	<u>\$2,396,371</u>	<u>\$2,422,341</u>	<u>\$2,262,936</u>	<u>\$ (159,405)</u>
Expenditures:				
Recreation & Culture-				
Personnel Cost	\$1,225,000	\$1,225,000	\$1,190,025	\$ 34,975
Travel	15,000	19,500	17,035	2,465
Utilities & Telephone	90,000	80,000	65,080	14,920
Building & Equip. Maint.	60,000	105,000	114,948	(9,948)
Books, Magazines, etc.	280,192	210,192	154,146	56,046
Insurance	16,000	16,000	14,122	1,878
Supplies	435,000	232,500	102,687	129,813
Professional Services	30,000	33,000	32,672	328
Processing	35,000	35,000	18,323	16,677
Equipment Rental	10,000	10,000	7,194	2,806
Miscellaneous	469,271	470,601	17,827	452,774
Capital Expenditures	<u>55,000</u>	<u>15,000</u>	<u>32,579</u>	<u>(17,579)</u>
Total Expenditures	<u>\$2,720,463</u>	<u>\$2,451,793</u>	<u>\$1,766,638</u>	<u>\$ 685,155</u>
Excess (Deficiency) of Revenues over Expenditures	\$ (324,092)	\$ (29,452)	\$ 496,298	\$ 525,750
Fund Balance-Beginning of Year	<u>2,752,190</u>	<u>2,752,190</u>	<u>2,752,190</u>	<u>0</u>
Fund Balance-End of Year	<u>\$2,428,098</u>	<u>\$2,722,738</u>	<u>\$3,248,488</u>	<u>\$ 525,750</u>

See notes to financial statements.

Natchitoches Parish Government
Health Unit Maintenance
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2013

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Revenues:				
Taxes-				
Ad Valorem	\$ 791,686	\$ 791,686	\$ 915,087	\$123,401
Miscellaneous-				
Interest	<u>2,000</u>	<u>4,300</u>	<u>4,132</u>	<u>(168)</u>
Total Revenues	<u>\$ 793,686</u>	<u>\$ 795,986</u>	<u>\$ 919,219</u>	<u>\$123,233</u>
Expenditures:				
Health & Welfare-				
Personnel Cost	\$ 282,214	\$ 307,354	\$ 301,542	\$ 5,812
Travel	2,500	2,500	0	2,500
Utilities & Telephone	25,000	25,000	24,927	73
Repairs & Maintenance	39,500	25,100	13,126	11,974
Dept. of Health & Human Resources	109,000	59,000	78,573	(19,573)
Insurance	9,523	13,849	11,735	2,114
Supplies	3,500	3,500	804	2,696
Equipment Rental	18,500	18,500	18,351	149
Miscellaneous	14,500	16,100	13,108	2,992
Operating Supplies	57,090	57,090	52,544	4,546
Capital Expenditures	<u>50,000</u>	<u>10,000</u>	<u>1,349</u>	<u>8,651</u>
Total Expenditures	<u>\$ 611,327</u>	<u>\$ 537,993</u>	<u>\$ 516,059</u>	<u>\$ 21,934</u>
Excess of Revenues over Expenditures	\$ 182,359	\$ 257,993	\$ 403,160	\$145,167
Other Financing Uses:				
Operating Transfers To-				
General Fund	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures and Other Uses	\$ (117,641)	\$ (42,007)	\$ 103,160	\$145,167
Fund Balance-Beginning of Year	<u>1,184,999</u>	<u>1,184,999</u>	<u>1,184,999</u>	<u>0</u>
Fund Balance-End of Year	<u>\$1,067,358</u>	<u>\$1,142,992</u>	<u>\$1,288,159</u>	<u>\$145,167</u>

See notes to financial statements.

Natchitoches Parish Government
Government Building Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2013

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Revenues:				
Taxes-				
Ad Valorem	\$ 791,686	\$ 791,686	\$ 899,250	\$107,564
Miscellaneous	<u>1,800</u>	<u>1,800</u>	<u>1,878</u>	<u>78</u>
Total Revenues	<u>\$ 793,486</u>	<u>\$ 793,486</u>	<u>\$ 901,128</u>	<u>\$107,642</u>
Expenditures:				
General Government-				
Personnel Cost	\$ 204,325	\$ 211,536	\$ 207,511	\$ 4,025
Utilities & Telephone	234,000	138,000	146,769	(8,769)
Repairs & Maintenance	155,000	105,000	89,611	15,389
Insurance	25,000	23,279	23,279	0
Building & Grounds Supplies	115,000	87,000	62,294	24,706
Miscellaneous	10,500	10,368	7,472	2,896
Capital Expenditures	<u>225,000</u>	<u>5,441</u>	<u>1,938</u>	<u>3,503</u>
Total Expenditures	<u>\$ 968,825</u>	<u>\$ 580,624</u>	<u>\$ 538,874</u>	<u>\$ 41,750</u>
Excess of Revenues over Expenditures	\$ (175,339)	\$ 212,862	\$ 362,254	\$149,392
Fund Balance-Beginning of Year	<u>1,160,858</u>	<u>1,160,858</u>	<u>1,160,858</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 985,519</u>	<u>\$1,373,720</u>	<u>\$1,523,112</u>	<u>\$149,392</u>

See notes to financial statements.

Natchitoches Parish Government
Office of Community Services-Head Start Fund
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended December 31, 2013

	Grant in Progress 3-1-12 to 6-30-14				
	Budget Program Year 2012-14	Prior Year Actual	Remaining Budget @ 12/31/12	Current Year Actual	Remaining Budget @ 12/31/13
Revenues:					
Intergovernmental-					
Federal Grant – DHHS	\$4,276,542	\$1,826,507	\$2,450,035	\$2,115,988	\$334,047
Miscellaneous	<u>0</u>	<u>601</u>	<u>(601)</u>	<u>527</u>	<u>(1,128)</u>
Total Revenues	<u>\$4,276,542</u>	<u>\$1,827,108</u>	<u>\$2,449,434</u>	<u>\$2,116,515</u>	<u>\$332,919</u>
Expenditures:					
Program Administration-					
Salaries	\$ 292,327	\$ 124,694	\$ 167,633	\$ 135,055	\$ 32,578
Fringe	92,416	26,138	66,278	33,261	33,017
Travel	3,192	3,356	(164)	121	(285)
Operating Services	48,174	18,113	30,061	26,696	3,365
Operating Supplies	5,318	72	5,246	256	4,990
Program Services-					
Salaries	2,133,957	911,268	1,222,689	1,091,278	131,411
Fringe	1,112,376	424,975	687,401	573,328	114,073
Travel	40,349	10,108	30,241	991	29,250
Operating Services-					
Utilities	164,709	64,606	100,103	90,193	9,910
Telephone	23,000	14,600	8,400	16,038	(7,638)
Maintenance & Repairs	68,524	32,236	36,288	39,472	(3,184)
Contract Payments	73,245	25,609	47,636	32,241	15,395
Other	11,450	35,278	(23,828)	36,469	(60,297)
Operating Supplies-					
Program Supplies	126,487	61,821	64,666	52,145	12,521
Office Supplies	6,249	694	5,555	15,393	(9,838)
Food	74,769	0	74,769	0	74,769
Capital Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,734</u>	<u>(5,734)</u>
Total Expenditures	<u>\$4,276,542</u>	<u>\$1,753,568</u>	<u>\$2,522,974</u>	<u>\$2,148,671</u>	<u>\$374,303</u>
Excess of Revenues over Expenditures	\$ 0	\$ 73,540	\$ (73,540)	\$ (32,156)	\$ (41,384)
Other Financing Uses:					
Transfer (To)/From-					
Child Care Food Program	<u>0</u>	<u>(28,963)</u>	<u>28,963</u>	<u>(27,371)</u>	<u>56,334</u>
Excess (Deficiency) of Revenues over Expenditures and Other Uses	\$ 0	\$ 44,577	\$ (44,577)	\$ (59,527)	\$ 14,950
Fund Balance-Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>40,618</u>	<u>(40,618)</u>
Fund Balance-End of Year	<u>\$ 0</u>	<u>\$ 44,577</u>	<u>\$ (44,577)</u>	<u>\$ (18,909)</u>	<u>\$ (25,668)</u>

See notes to financial statements.

OTHER SUPPLEMENTAL SCHEDULES

Natchitoches Parish Government
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2013

	<u>Special Revenue Funds</u>				
	<u>Solid Waste Disposal</u>	<u>Criminal Court Fund</u>	<u>Civil Defense Fund</u>	<u>Natchitoches Parish Litter Court</u>	<u>Kisatchie Search & Rescue</u>
<u>Assets</u>					
Cash	\$152,203	\$152,010	\$ 3,693	\$461	\$22,146
Revenue Receivables	0	54,684	49,112	0	0
Due from Other Funds	0	0	0	0	0
Total Assets	<u>\$152,203</u>	<u>\$206,694</u>	<u>\$52,805</u>	<u>\$461</u>	<u>\$22,146</u>
<u>Liabilities</u>					
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accounts Payable	88,423	1,035	70	0	0
Accrued Payroll	15,233	40,890	1,425	0	0
Due to Other Governments	0	0	0	0	0
Due to Other Funds	0	0	0	0	1,000
Total Liabilities	<u>\$103,656</u>	<u>\$ 41,925</u>	<u>\$ 1,495</u>	<u>\$ 0</u>	<u>\$ 1,000</u>
<u>Fund Balance</u>					
Restricted	\$ 48,547	\$164,769	\$51,310	\$461	\$21,146
Unassigned	0	0	0	0	0
Total Fund Balance	<u>\$ 48,547</u>	<u>\$164,769</u>	<u>\$51,310</u>	<u>\$461</u>	<u>\$21,146</u>
Total Liabilities & Fund Balance	<u>\$152,203</u>	<u>\$206,694</u>	<u>\$52,805</u>	<u>\$461</u>	<u>\$22,146</u>

See notes to financial statements.

Special Revenue Funds						
Recreation & <u>Fitness</u>	<u>Planning</u>	Title III Kisatchie Search & Rescue	Public Safety	Criminal Law/ Juror Fees	OCS <u>Operating</u>	OCS Family <u>Daycare</u>
\$772	\$68,367	\$ 0	\$ 51,785	\$1,567	\$283	\$55
0	0	0	82,000	0	0	0
<u>0</u>	<u>0</u>	<u>1,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$772</u>	<u>\$68,367</u>	<u>\$1,000</u>	<u>\$ 133,785</u>	<u>\$1,567</u>	<u>\$283</u>	<u>\$55</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	304	0	27,025	1,076	0	0
0	6,446	0	22,890	0	0	0
0	0	0	894,223	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 0</u>	<u>\$ 6,750</u>	<u>\$ 0</u>	<u>\$ 944,138</u>	<u>\$1,076</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$772	\$61,617	\$1,000	\$ 0	\$ 491	\$283	\$55
<u>0</u>	<u>0</u>	<u>0</u>	<u>(810,353)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$772</u>	<u>\$61,617</u>	<u>\$1,000</u>	<u>\$(810,353)</u>	<u>\$ 491</u>	<u>\$283</u>	<u>\$55</u>
<u>\$772</u>	<u>\$68,367</u>	<u>\$1,000</u>	<u>\$ 133,785</u>	<u>\$1,567</u>	<u>\$283</u>	<u>\$55</u>

Continued next page.

Natchitoches Parish Government
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2013

	<u>Special Revenue Funds</u>				
	<u>OHD</u> <u>LIHEAP</u>	<u>DOL</u> <u>CSBG</u>	<u>OCS</u> <u>RSVP</u>	<u>CCIP</u> <u>CACFP</u>	<u>CHC</u> <u>Head Start</u> <u>Handicap</u>
<u>Assets</u>					
Cash	\$52,464	\$ 5,266	\$1,415	\$ 356	\$ 23
Revenue Receivables	0	9,701	1,836	43,435	2,802
Due from Other Funds	0	0	0	0	0
Total Assets	<u>\$52,464</u>	<u>\$14,967</u>	<u>\$3,251</u>	<u>\$43,791</u>	<u>\$2,825</u>
<u>Liabilities</u>					
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Accounts Payable	192	592	6	12,811	13
Accrued Payroll	1,211	9,720	1,867	10,105	2,802
Due to Other Governments	0	0	0	0	0
Due to Other Funds	0	0	0	0	0
Total Liabilities	<u>\$ 1,403</u>	<u>\$10,312</u>	<u>\$1,873</u>	<u>\$22,916</u>	<u>\$2,815</u>
<u>Fund Balance</u>					
Restricted	\$51,061	\$ 4,655	\$1,378	\$20,875	\$ 10
Unassigned	0	0	0	0	0
Total Fund Balance	<u>\$51,061</u>	<u>\$ 4,655</u>	<u>\$1,378</u>	<u>\$20,875</u>	<u>\$ 10</u>
Total Liabilities & Fund Balance	<u>\$52,464</u>	<u>\$14,967</u>	<u>\$3,251</u>	<u>\$43,791</u>	<u>\$2,825</u>

See notes to financial statements.

Special Revenue Funds						
TTA/ CDA	OCS Food Bank	Elderly Entertainment	Senior Companion Program	Emergency Food & Shelter	Summer Feeding Program	Wal-Mart VAP Fund
\$0	\$786	\$581	\$ 0	\$0	\$8,369	\$303
0	0	0	21,206	0	0	0
0	0	0	0	0	0	0
\$0	\$786	\$581	\$ 21,206	\$0	\$8,369	\$303
\$0	\$ 0	\$ 0	\$ 21,174	\$0	\$ 0	\$ 0
0	0	0	8,514	0	0	0
0	0	0	3,789	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
\$0	\$ 0	\$ 0	\$ 33,477	\$0	\$ 0	\$ 0
\$0	\$786	\$581	\$ 0	\$0	\$8,369	\$303
0	0	0	(12,271)	0	0	0
\$0	\$786	\$581	\$(12,271)	\$0	\$8,369	\$303
\$0	\$786	\$581	\$ 21,206	\$0	\$8,369	\$303

Continued next page.

Natchitoches Parish Government
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2013

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>			
	International Paper Grant	Old River Road	FEMA	LCDBG LA STEP Grant	LCDBG Grant
<u>Assets</u>					
Cash	\$2,785	\$65,000	\$12,930	\$1	\$1
Revenue Receivables	0	0	0	0	0
Due from Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$2,785</u>	<u>\$65,000</u>	<u>\$12,930</u>	<u>\$1</u>	<u>\$1</u>
<u>Liabilities</u>					
Cash Overdraft	\$ 0	\$ 0	\$ 0	\$0	\$0
Accounts Payable	0	0	0	0	0
Accrued Payroll	0	0	0	0	0
Due to Other Governments	0	0	0	0	0
Due to Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$0</u>	<u>\$0</u>
<u>Fund Balance</u>					
Restricted	\$2,785	\$65,000	\$12,930	\$1	\$1
Unassigned	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balance	<u>\$2,785</u>	<u>\$65,000</u>	<u>\$12,930</u>	<u>\$1</u>	<u>\$1</u>
 Total Liabilities & Fund Balance	 <u>\$2,785</u>	 <u>\$65,000</u>	 <u>\$12,930</u>	 <u>\$1</u>	 <u>\$1</u>

See notes to financial statements.

<u>Capital Projects Funds</u>		
<u>LCDBG Martco Grant</u>	<u>LA 480 State Grant Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$0	\$25,000	\$ 628,623
0	0	264,776
<u>0</u>	<u>0</u>	<u>1,000</u>
<u>\$0</u>	<u>\$25,000</u>	<u>\$ 894,399</u>
\$0	\$ 0	\$ 21,174
0	0	140,061
0	0	116,378
0	0	894,223
<u>0</u>	<u>0</u>	<u>1,000</u>
<u>\$0</u>	<u>\$ 0</u>	<u>\$1,172,836</u>
\$0	\$25,000	\$ 544,187
<u>0</u>	<u>0</u>	<u>(822,624)</u>
<u>\$0</u>	<u>\$25,000</u>	<u>\$ (278,437)</u>
<u>\$0</u>	<u>\$25,000</u>	<u>\$ 894,399</u>

See notes to financial statements.

Natchitoches Parish Government
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2013

	Special Revenue Funds				
	<u>Solid Waste Disposal</u>	<u>Criminal Court Fund</u>	<u>Civil Defense Fund</u>	<u>Natchitoches Parish Litter Court</u>	<u>Kisatchie Search & Rescue</u>
Revenues:					
Taxes-					
Ad Valorem	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Licenses & Permits	0	0	0	0	0
Intergovernmental-					
Federal Grants	0	0	0	0	0
State Grants	0	30,447	0	0	0
Other Grants	0	274,469	49,112	0	0
Charges for Services	33,280	0	0	0	0
Fines & Forfeits	0	86,847	0	0	0
Interest & Miscellaneous	<u>0</u>	<u>160</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	\$ <u>33,280</u>	\$ <u>391,923</u>	\$ <u>49,112</u>	\$ <u>0</u>	\$ <u>0</u>
Expenditures:					
Current-					
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Public Safety	0	550,357	54,020	0	0
Public Works	1,592,762	0	0	0	1,516
Health & Welfare	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>1,592,762</u>	\$ <u>550,357</u>	\$ <u>54,020</u>	\$ <u>0</u>	\$ <u>1,516</u>
Excess (Deficiency) of Revenues over Expenditures	\$ <u>(1,559,482)</u>	\$ <u>(158,434)</u>	\$ <u>(4,908)</u>	\$ <u>0</u>	\$ <u>(1,516)</u>
Other Financing Sources (Uses):					
Operating Transfers In	\$ 1,725,000	\$ 180,000	\$ 0	\$ 0	\$ 0
Operating Transfers Out	<u>(116,971)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(2,352)</u>
Total Other Financing	\$ <u>1,608,029</u>	\$ <u>180,000</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(2,352)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 48,547	\$ 21,566	\$ (4,908)	\$ 0	\$ (3,868)
Fund Balances (Deficit)- Beginning of Year	<u>0</u>	<u>143,203</u>	<u>56,218</u>	<u>461</u>	<u>25,014</u>
Fund Balances (Deficit)- End of Year	\$ <u>48,547</u>	\$ <u>164,769</u>	\$ <u>51,310</u>	\$ <u>461</u>	\$ <u>21,146</u>

See notes to financial statements.

Special Revenue Funds						
Recreation & <u>Fitness</u>	<u>Planning</u>	Title III Kisatchie Search & Rescue	Public <u>Safety</u>	Criminal Law/ <u>Juror Fees</u>	OCS <u>Operating</u>	OCS Family <u>Daycare</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	128,273	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	75,000	0	0	0
0	0	0	0	0	0	0
0	0	0	0	25,125	0	0
0	70	0	7,200	0	0	0
<u>\$ 0</u>	<u>\$128,343</u>	<u>\$ 0</u>	<u>\$ 82,200</u>	<u>\$ 25,125</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 0	\$158,844	\$ 0	\$ 117,239	\$ 0	\$ 0	\$ 0
0	0	0	983,918	55,625	0	0
0	0	0	0	0	0	0
0	0	0	81,454	0	329	0
<u>\$ 0</u>	<u>\$158,844</u>	<u>\$ 0</u>	<u>\$1,182,611</u>	<u>\$ 55,625</u>	<u>\$ 329</u>	<u>\$ 0</u>
<u>\$ 0</u>	<u>\$ (30,500)</u>	<u>\$ 0</u>	<u>\$ (1,100,411)</u>	<u>\$ (30,500)</u>	<u>\$ (329)</u>	<u>\$ 0</u>
\$ 0	\$ 48,263	\$ 2,352	\$ 1,245,000	\$ 30,000	\$ 0	\$ 0
0	0	0	0	0	0	0
<u>\$ 0</u>	<u>\$ 48,263</u>	<u>\$ 2,352</u>	<u>\$ 1,245,000</u>	<u>\$ 30,000</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 0	\$ 17,762	\$ 2,352	\$ 144,589	\$ (500)	\$ (329)	\$ 0
772	43,855	(1,352)	(954,942)	991	612	55
<u>\$772</u>	<u>\$ 61,617</u>	<u>\$ 1,000</u>	<u>\$ (810,353)</u>	<u>\$ 491</u>	<u>\$ 283</u>	<u>\$55</u>

Continued next page.

Natchitoches Parish Government
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2013

	Special Revenue Funds				
	<u>OHD</u> <u>LIHEAP</u>	<u>DOL</u> <u>CSBG</u>	<u>OCS</u> <u>RSVP</u>	<u>CCIP</u> <u>CACFP</u>	<u>CHC</u> <u>Head Start</u> <u>Handicap</u>
Revenues:					
Taxes-					
Ad Valorem	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Licenses & Permits	0	0	0	0	0
Intergovernmental-					
Federal Grants	480,238	131,562	13,870	230,351	38,579
State Grants	5,000	0	0	0	0
Other Grants	0	21,481	20,502	0	0
Charges for Services	0	0	0	0	0
Fines & Forfeits	0	0	0	0	0
Interest & Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>496</u>	<u>0</u>
Total Revenues	<u>\$485,238</u>	<u>\$153,043</u>	<u>\$34,372</u>	<u>\$230,847</u>	<u>\$38,579</u>
Expenditures:					
Current-					
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Public Safety	0	0	0	0	0
Public Works	0	0	0	0	0
Health & Welfare	<u>455,241</u>	<u>157,191</u>	<u>32,717</u>	<u>280,528</u>	<u>38,593</u>
Total Expenditures	<u>\$455,241</u>	<u>\$157,191</u>	<u>\$32,717</u>	<u>\$280,528</u>	<u>\$38,593</u>
Excess (Deficiency) of Revenues over Expenditures	\$ <u>29,997</u>	\$ <u>(4,148)</u>	\$ <u>1,655</u>	\$ <u>(49,681)</u>	\$ <u>(14)</u>
Other Financing Sources (Uses):					
Operating Transfers In	\$ 17,043	\$ 66,443	\$ 2,589	\$ 29,077	\$ 0
Operating Transfers Out	<u>(17,043)</u>	<u>(32,454)</u>	<u>0</u>	<u>(1,706)</u>	<u>0</u>
Total Other Financing	<u>\$ 0</u>	<u>\$ 33,989</u>	<u>\$ 2,589</u>	<u>\$ 27,371</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 29,997	\$ 29,841	\$ 4,244	\$ (22,310)	\$ (14)
Fund Balances (Deficit)- Beginning of Year	<u>21,064</u>	<u>(25,186)</u>	<u>(2,866)</u>	<u>43,185</u>	<u>24</u>
Fund Balances (Deficit)- End of Year	<u>\$ 51,061</u>	<u>\$ 4,655</u>	<u>\$ 1,378</u>	<u>\$ 20,875</u>	<u>\$ 10</u>

See notes to financial statements.

Special Revenue Funds

TTA/ CDA	OCS Food Bank	Elderly Entertainment	Senior Companion Program	Emergency Food & Shelter	Summer Feeding Program	Wal-Mart VAP Fund
\$ 0 0	\$ 0 0	\$ 0 0	\$ 0 0	\$ 0 0	\$ 0 0	\$ 0 0
18,742 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 10	218,793 0 10,861 0 0 0	0 0 0 0 0 0	102,735 0 0 0 0 0	0 0 0 0 0 1,005
<u>\$18,742</u>	<u>\$ 0</u>	<u>\$ 10</u>	<u>\$229,654</u>	<u>\$ 0</u>	<u>\$102,735</u>	<u>\$1,005</u>
\$ 0 0 0 19,153 \$19,153	\$ 0 0 0 0 \$ 0	\$ 0 0 0 0 \$ 0	\$ 0 0 0 243,149 \$243,149	\$ 0 0 0 0 \$ 0	\$ 0 0 0 94,366 \$ 94,366	\$ 0 0 0 1,192 \$1,192
\$ (411)	\$ 0	\$ 10	\$ (13,495)	\$ 0	\$ 8,369	\$ (187)
\$ 325 0 \$ 325	\$ 0 0 \$ 0	\$ 0 0 \$ 0	\$ 17,402 0 \$ 17,402	\$ 208 0 \$ 208	\$ 263 0 \$ 263	\$ 0 0 \$ 0
\$ (86)	\$ 0	\$ 10	\$ 3,907	\$ 208	\$ 8,632	\$ (187)
86	786	571	(16,178)	(208)	(263)	490
\$ 0	\$786	\$581	\$ (12,271)	\$ 0	\$ 8,369	\$ 303

Continued next page.

Natchitoches Parish Government
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year Ended December 31, 2013

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>			
	International Paper <u>Grant</u>	Old River <u>Road</u>	<u>FEMA</u>	LCDBG LA STEP <u>Grant</u>	LCDBG <u>Grant</u>
Revenues:					
Taxes-					
Ad Valorem	\$ 0	\$ 0	\$ 0	\$ 0	\$0
Licenses & Permits	0	0	0	0	0
Intergovernmental-					
Federal Grants	0	0	0	125,388	0
State Grants	0	0	0	0	0
Other Grants	0	0	0	0	0
Charges for Services	0	0	0	0	0
Fines & Forfeits	0	0	0	0	0
Interest & Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$125,388</u>	<u>\$0</u>
Expenditures:					
Current-					
General Government	\$ 0	\$ 0	\$ 0	\$ 0	\$0
Public Safety	0	0	0	0	0
Public Works	0	0	0	125,388	0
Health & Welfare	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$125,388</u>	<u>\$0</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$0</u>
Other Financing Sources (Uses):					
Operating Transfers In	\$ 0	\$ 0	\$ 5,907	\$ 0	\$0
Operating Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,907</u>	<u>\$ 0</u>	<u>\$0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 0	\$ 0	\$ 5,907	\$ 0	\$0
Fund Balances (Deficit)- Beginning of Year	<u>2,785</u>	<u>65,000</u>	<u>7,023</u>	<u>1</u>	<u>1</u>
Fund Balances (Deficit)- End of Year	<u>\$2,785</u>	<u>\$65,000</u>	<u>\$12,930</u>	<u>\$ 1</u>	<u>\$1</u>

See notes to financial statements.

<u>Capital Projects Funds</u>		
<u>LCDBG Martco Grant</u>	<u>LA 480 State Grant Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$0	\$ 0	\$ 0
0	0	128,273
0	0	1,360,258
0	0	35,447
0	0	451,425
0	0	33,280
0	0	111,972
<u>0</u>	<u>0</u>	<u>8,941</u>
<u>\$0</u>	<u>\$ 0</u>	<u>\$ 2,129,596</u>
\$0	\$ 0	\$ 276,083
0	0	1,643,920
0	0	1,719,666
<u>0</u>	<u>0</u>	<u>1,403,913</u>
<u>\$0</u>	<u>\$ 0</u>	<u>\$ 5,043,582</u>
<u>\$0</u>	<u>\$ 0</u>	<u>\$(2,913,986)</u>
\$0	\$ 0	\$ 3,369,872
<u>0</u>	<u>0</u>	<u>(170,526)</u>
<u>\$0</u>	<u>\$ 0</u>	<u>\$ 3,199,346</u>
\$0	\$ 0	\$ 285,360
<u>1</u>	<u>25,000</u>	<u>(563,797)</u>
<u>\$1</u>	<u>\$25,000</u>	<u>\$ (278,437)</u>

Natchitoches Parish Government
Supplementary Schedule of Expenditures of Federal Awards
Year Ended December 31, 2013

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Assistance ID Number</u>	<u>Total Current Year Expenditures</u>
DIRECT PROGRAMS:			
U. S. Department of Agriculture-			
Kisatchie National Forest	10.666	N/A	\$ 520,880
Federal Emergency Management Agency- Disaster Grants – Public Assistance	97.036		1,264,531
Department of Health & Human Services-			
Retired Seniors Volunteer Program			
Program Year 7-1-10 - 3-31-14	94.002	10SRWLA006	13,869
Head Start Program			
Program Year 3-1-12 - 6-30-14	93.600	06CH0386/23	2,115,989
Head Start-Handicap Program			
Program Year 3-1-12 - 6-30-14	93.600	06CH0386/23	18,542
Head Start TTA/CDA			
Program Year 3-1-12 - 6-30-14	93.600	06CH0386/23	38,579
Senior Companion Program			
Program Year 9-1-12 - 8-31-14	94.016	12SCWLA001	76,128
Program Year 9-1-12 - 8-31-13	94.016	12SCWLA001	142,665

Continued next page.

Natchitoches Parish Government
Supplementary Schedule of Expenditures of Federal Awards-continued
Year Ended December 31, 2013

Federal Grantor/Pass-Through <u>Grantor/Program Title</u>	Federal CFDA <u>Number</u>	Federal Assistance <u>ID Number</u>	Total Current Year <u>Expenditures</u>
PASS-THROUGH PROGRAMS:			
Louisiana Department of Labor-			
Community Services Block Grant	93.569		131,562
Louisiana Department of Social Services-			
Louisiana Housing Finance Agency	93.568		455,241
U. S. Department of Agriculture-			
Louisiana Department of Education-			
Child Care Food Program-			
Program Year 10-1-13 - 9-30-14	10.558		76,936
Program Year 10-1-12 - 9-30-13	10.558		189,858
Summer Food Service Program	10.559		102,735
Housing and Urban Development-			
Louisiana Department of Administration-			
LCDBG	14.228		125,387
U. S. Department of Transportation-			
Louisiana Department of Transportation	20.607/20.608		<u>110,661</u>
Totals			<u>\$5,383,563</u>

Natchitoches Parish Government
Notes to the Schedule of Expenditures of Federal Awards
Year Ended December 31, 2013

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Parish Government and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the primary government financial statements.

OTHER REPORTS

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation

Roger M. Cunningham, CPA – A Professional Corporation

Jessica H. Broadway, CPA – A Professional Corporation

Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the President and Council Members
of the Natchitoches Parish Government

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Natchitoches Parish Government's basic financial statements and have issued our report thereon dated June 9, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Natchitoches Parish Government's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Natchitoches Parish Government's internal control. Accordingly, we do not express an opinion on the effectiveness of the Natchitoches Parish Government's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described as items 13-01 and 13-02 in the accompanying schedule of findings and questioned costs to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Natchitoches Parish Government's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 13-03.

Natchitoches Parish Government's Response to Findings

The Natchitoches Parish Government's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Natchitoches Parish Government's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 25:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Johnson, Thomas & Cunningham

Johnson, Thomas & Cunningham, CPA's

June 9, 2014
Natchitoches, Louisiana

Johnson, Thomas & Cunningham

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Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
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321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the President and Council Members of the
Natchitoches Parish Government

Report on Compliance for Each Major Federal Program

We have audited the Natchitoches Parish Government's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Natchitoches Parish Government's major federal programs for the year ended December 31, 2013. The Natchitoches Parish Government's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Natchitoches Parish Government's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Natchitoches Parish Government's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Natchitoches Parish Government's compliance.

Opinion on Each Major Federal Program

In our opinion, the Natchitoches Parish Government, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

Report on Internal Control over Compliance

Management of the Natchitoches Parish Government is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Natchitoches Parish Government's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Natchitoches Parish Government's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We consider the deficiency described as item 13-02 in the accompanying schedule of findings and questioned costs to be a material weakness.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Johnson, Thomas & Cunningham

Johnson, Thomas & Cunningham, CPA's

June 9, 2014
Natchitoches, Louisiana

Natchitoches Parish Government
Schedule of Findings and Questioned Costs
Year Ended December 31, 2013

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results in accordance with OMB Circular A-133:

1. Since the Parish Government did not present all of its component units, an adverse opinion was issued for the Natchitoches Parish Government as a reporting entity. In addition, the Natchitoches Parish Government did not report on governmental accounting statement No. 45, therefore a qualified opinion was issued on the primary government financial statements of the Natchitoches Parish Government as of and for the year ended December 31, 2013.
2. The audit disclosed two material weaknesses in internal control (13-01 and 13-02).
3. The audit disclosed any instances of noncompliance that are required to be reported under *Government Auditing Standards* (13-03).
4. The audit disclosed one instance of a material weakness in internal control over major programs (13-02).
5. An unmodified opinion was issued on compliance for major programs.
6. The audit did not disclose findings related to federal awards that are required to be reported under OMB Circular A-133.
7. The following programs were major for the year ended December 31, 2013:
 - U.S. Department of Agriculture (CFDA #10.666)
 - Health and Human Services (CFDA #93.600, 93.568)
 - FEMA (CFDA #97.036)
8. \$300,000 was the threshold used to distinguish Type A from Type B programs.
9. The Natchitoches Parish Government does not qualify as a low risk auditee.

Natchitoches Parish Government
Schedule of Findings and Questioned Costs-continued
Year Ended December 31, 2013

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The following findings relate to the financial statements and are required to be reported in accordance with *Government Auditing Standards*.

Internal Control-

13-01 *Internal Controls over Program Revenues and Expenditures for the Community Services Block Grant*

Criteria – The Office of Community Services (hereinafter OCS), a component unit of the Parish Government, administers several Federal and State grant programs which are generally expenditure driven. Most programs have a different year end and they do not agree with the Parish Government's year end of December 31. In order to accurately report the financial status of each program, a general ledger is provided for each grant year. For example, DOL-Community Service Block Grant's (hereinafter CSBG) program year is from October 1 to September 30. Thus, a general ledger is provided for transactions occurring in the old grant year from January 1 to September 30 and another for transactions occurring in the new grant year from October 1 to December 31. There is a third general ledger that has no activity as it will be used for a future grant year.

Most OCS programs expend funds and then send reports to the various grantor agencies requesting reimbursements. These Federal and State reimbursement requests and the subsequent cash receipts should be closely monitored by the management of OCS and should be reconciled to the general ledger on a monthly basis to ensure that the funds expended are requested from the grantor agency in a timely manner.

Condition – OCS personnel are not reconciling transactions between the grant years for CSBG.

Effect – We are unable to determine expenditures by program year based on the general ledgers and other books of account for the CSBG Fund.

Cause – OCS management does not have a sufficient system in place to monitor program transactions to ensure they are recorded in the proper current general ledger.

Recommendation – The management of the Office of Community Services should take steps to closely monitor the reimbursement requests and the subsequent cash receipts and to ensure that the requests and cash receipts are reconciled to the general ledger on a monthly basis.

Management's Response – In the future, payments will be matched to the General Ledger on a monthly basis. The 2014 budget allows the Parish of Natchitoches the ability to hire an additional person. The new employee will be assigned to assist the Office of Community Services with their monthly reconciling. All future grants under the umbrella of the OCS will each be assigned a new Fund number.

Natchitoches Parish Government
Schedule of Findings and Questioned Costs-continued
Year Ended December 31, 2013

Internal Control/Major Program Compliance

13-02 *Record Retention-Head Start CFDA # 93.600*

Criteria – Grantor regulations and good internal control systems require that records of program transactions be retained in an orderly fashion.

Condition – The record keeping policy of the Head Start program does not allow employees, management, and auditors to research and reconcile substantive documents to reported amounts on grant financial statements without detailed explanations provided by the Head Start accountant. Questioned costs are unknown.

Effect – There is not an adequate audit trail.

Cause – Inadequate internal controls over record retention.

Recommendation – We recommend that procedures be implemented to ensure that records of program transactions be retained in an orderly fashion.

Management's Response – The Parish of Natchitoches has moved the Head Start accounting personnel to the Accounting Department. This will allow for a tighter internal control over record retention.

Compliance-

13-03 *Compliance with Local Government Budget Act*

Criteria – Louisiana Revised Statutes require that the operating budget be amended if actual revenues are less than budgeted revenues by 5% or more and/or actual expenditures exceed budgeted expenditures by 5% or more.

Condition – For the year ended December 31, 2013 actual revenues were less than budgeted revenues by more than 5% for the Library, and the budget was not amended accordingly.

Effect – The budget cannot be used as an effective management tool to control expenditures.

Cause – The Library's revenues were under-budget due to an amendment made to include in revenue the draw-down of an investment which was reinvested with another investment company.

Recommendation – We recommend that procedures be implemented to ensure that the budget is amended to comply with the Local Government Budget Act.

Management's Response – Natchitoches Parish Government Treasurer will monitor more closely the amending of budgets to stay within the 5% guidelines.

Natchitoches Parish Police Jury
Schedule of Prior Year Audit Findings
Year Ended December 31, 2013

Internal Control Findings from Prior Year-

12-01 *Internal Controls over Program Revenues and Expenditures*

Finding – OCS personnel are not reconciling requests for funds to the general ledgers for all OCS funds. As a result, the following OCS funds had deficit balances at December 31, 2013:

CSBG	\$25,186
Senior Companion	<u>16,178</u>
Total	<u>\$41,364</u>

Current Status – At December 31, 2013, similar conditions still exist. See Finding 13-01.

12-02 *Compliance with State Bid Laws*

Condition – Each December the Parish Government awards bids for various materials, supplies and services that will be needed in the upcoming year. The proper bidding process is followed and the bids awarded are to be in place for the entire following year. In December of 2011, the Natchitoches Parish Police Jury (now Natchitoches Parish Government) awarded bids for hot mix and for sweeping, rolling and laying of hot mix. The bidding process failed to include the necessary costs of hauling and tacking of the hot mix.

At a meeting of the Natchitoches Parish Police Jury on November 19, 2012, the Jury voted to approve the overlaying of seven roads within the parish, with each road having \$150,000 or less spent on it for a total project not to exceed \$1,000,000. During this meeting, the Parish Administrator advised the Jurors that the Louisiana Attorney General's Office had been contacted as to whether or not this project should be bid, and that the Jury received an email advising that the current bids in place from December 2011 were acceptable as long as any additional work outside the bid was under \$150,000. The Parish Assistant District Attorney was also present at the meeting, and confirmed to the Jury that this information would permit the Jury to proceed without the need for additional public bid as long as other work exceeding \$150,000 was not incurred.

The hauling and tacking costs which were not originally bid totaled \$131,684 for these seven roads, which is below the \$150,000 limit mentioned in the preceding paragraph. Therefore, if the Jury had not incurred hauling and tacking costs on other projects during the year, the bid law would have been satisfied.

However, earlier in the year, the Jury had already agreed on special projects to overlay portions of four other roads using the previously accepted bid amounts. The costs for hauling and tacking on those roads totaled \$41,897.

Natchitoches Parish Police Jury
Schedule of Prior Year Audit Findings
Year Ended December 31, 2013

12-02 *Compliance with State Bid Laws (continued)*

Therefore, the Natchitoches Parish Government incurred costs of \$173,581 for hauling and tacking of hot mix asphalt during the year ended December 31, 2013, which is in excess of the \$150,000 limit set by State Statute for the Public Bid Law.

Current Status – At December 31, 2013, the condition was cleared.